

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 96-248-W - ORDER NO. 96-804
NOVEMBER 20, 1996

IN RE: Robert B. Rhyne,)	ORDER
)	
Complainant,)	
)	
vs.)	
)	
Carolina Water Service, Inc.,)	
)	
Respondent.)	
)	
)	

This matter comes before the Public Service Commission of South Carolina (the "Commission") upon a Complaint filed with the Commission by Robert Bruce Rhyne on May 20, 1996, against Carolina Water Service, Inc. ("CWS" or the "Company"). Upon request of Mr. Rhyne, the Commission held a hearing on this matter at 2:30 p.m. on October 9, 1996, after providing requisite public notice.

At hearing, the Honorable Guy Butler, Chairman, presided. Mr. Rhyne was represented by Frank R. Ellerbe III, Esq. Robert T. Bockman, Esq., appeared on behalf of CWS. Catherine D. Taylor, Staff Counsel, represented the Commission Staff.

In his Complaint and through his testimony, Mr. Rhyne stated that he is a self-employed real estate developer and the owner of 187 acres of land in York County, South Carolina. Mr. Rhyne's 187 acre tract of land is located approximately 1.8 miles north of the

intersection of South Carolina Highways 274 and 49. Mr. Rhyne plans to develop this property into a 250 lot single family home residential area that will be known as "Patriots Crossing." By his Complaint, Mr. Rhyne requests the authority to establish a community well-based water and sewer system in this development.

Mr. Rhyne originally requested York County grant him the authority to install a well-based community water and sewer system on this land. However, York County responded to his request by letter stating that it would consider the grant of such authority as a violation of the franchise contracts between York County and CWS. Therefore, York County denied Mr. Rhyne's request.

Mr. Rhyne attempted to negotiate with CWS in order to establish a community based system. Hearing exhibits demonstrated that CWS offered to provide water and sewer service but requested that Mr. Rhyne run a ten inch line to the nearest CWS main, which is located 1.8 miles from the Rhyne property at the intersection of Highway 274 and 49. Mr. Rhyne filed his Complaint because, as he stated, running a ten inch water line 1.8 miles to the CWS main through real property he did not own was not economically feasible for Mr. Rhyne. Mr. Rhyne also asserted that, in addition to the cost of the ten inch line, he would be required to pay tap fees to CWS and York County and install interior water service lines. He therefore requested that his tract of land be "carved" from the CWS service area in York County so that he could establish a community water system.

Mr. Rhyne also stated during testimony that, if his request

was granted, he would come again before the Commission to request a Certificate of Public Convenience and Necessity to establish a well-based water system in his residential development. Mr. Rhyne stated that septic tanks would be installed to handle each lot's sewage.

Carl Daniel, Regional Vice President for Utilities, Inc. (parent company of CWS), testified on behalf of CWS. Mr. Daniel stated that CWS previously proposed to accept Mr. Rhyne's on-site water facilities (the proposed well system) and to operate the water system in accordance with the Company's Certificate of Public Convenience and Necessity. As part of that offer, CWS requested that Mr. Rhyne run the ten inch line to the CWS main. In order to offset Mr. Rhyne's investment, CWS offered to waive its tap fees subject to Commission approval. Mr. Daniel testified that the future residents of the development would benefit from the County regional system and CWS service.

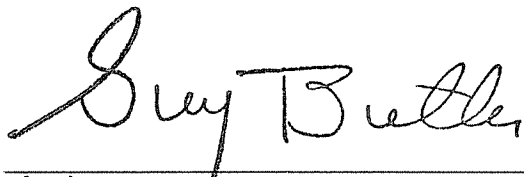
During the hearing, it was revealed that York County entered into a signed agreement with CWS by which York County granted to CWS a nonexclusive franchise to provide both water distribution and sewage collection services to all customers in a specified area of York County. Mr. Rhyne's property is located in that area specified by the contracts. These contracts were filed with and approved by the Commission.

Based upon our review of the testimony and evidence in this matter, we hereby deny Mr. Rhyne's request to "delete" his 187 acres from CWS territory in order to install a community

well-based water system and septic tanks. However, we do require Carolina Water Service, Inc., to provide water and sewer service to the Rhyne property by installing a ten inch main extension between Mr. Rhyne's property and the existing County distribution mains. CWS will be allowed to collect its Commission approved tap fees as each lot is developed. The tap fees will provide an offset to the cost of extending the mains to serve this property.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Deputy Executive Director
(SEAL)